

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:)	Case No. 02-02474
)	
KMART CORPORATION, et al.,)	(Jointly Administered)
)	Chapter 11
)	
Debtors.)	Hon. Susan Pierson Sonderby

**PROPOSED AGENDA FOR OMNIBUS HEARING
SCHEDULED FOR JANUARY 27 - 28, 2003**

A. Introduction

Set forth below is a proposed agenda for the Omnibus Hearing scheduled for **January 27, 2003** beginning at **2:00 p.m.** and continuing to **January 28, 2003** beginning at **10:00 a.m.** (this "Proposed Agenda").

In order to avoid any unnecessary confusion, please review this Proposed Agenda carefully and note all the matters in which you are interested. Certain matters have been set for specific hearing times at the Omnibus Hearing.

The information contained in this Proposed Agenda reflects documents received in our offices as of the date hereof. Counsel for the Debtors have served a copy of this Proposed Agenda on the Master Service List and the 2002 Service List, including those persons who have filed pleadings listed on this Proposed Agenda.

The Court has ordered that the Hearing shall be held in Courtroom 1725.

The matters set for hearing are divided into the following categories for the purposes of this Proposed Agenda:

- A. Introduction
- B. Continued Matter (1 Matter) - January 27, 2003 at 2:00 p.m.
- C. Uncontested Matters - January 27, 2003 at 2:00 p.m.
 - 1. Claims Matters (2 Matters)
 - 2. Designation Rights Matters (6 Matters)
 - 3. Other Real Estate Related Matters (6 Matters)
 - 4. Lift Stay Related Matters (11 Matters)
 - 5. Other Uncontested Matters (4 Matters)
- D. Matters Set for Status or Ruling - January 27, 2003 at 3:00 p.m.
 - 1. Designation Rights Agreement and Related Matters (4 Matters)
 - 2. Mechanics' Lien Matters (3 Matters)
 - 3. Other Matters Set for Status (8 Matters)
- E. DIP and Exit Financing Matters (2 Matters) - January 28, 2003 at 10:00 a.m.
- F. Contested Matters - January 28, 2003
 - 1. Store Closing Matter (1 Matter) - 10:00 a.m.
 - 2. Real Estate Matters (6 Matters) - 2:00 p.m.
 - 3. Lift Stay Matters (4 Matters) - 2:00 p.m.

The following motions were improperly noticed for January 28, 2003 or not noticed for any hearing date, and are not in accordance with the Court's Amended and Restated Order Pursuant to 11 U.S.C. §§ 102 and 105(a), Bankruptcy Rules 2002(m) and 9007, and Local Rules 101, 400 and 402 Establishing Omnibus Hearing Dates and Certain Notice, Case Management and Administrative Procedures (Docket No. 6105) (the "Case Management Order"): (i) Motion of Anne Pignatore for Relief from the Automatic Stay (Docket No. 7828), (ii) Request of Hussmann Corporation for Payment of Administrative Expense Claim (Docket No. 7845), (iii) Motion of Teresa Hines to be Included in Supplemental Claim Bar Date (Docket No. 7848), (iv) Motion of Brenda Joyce Jones and Barty J. Jones for Relief From Automatic Stay to Permit Prosecution of Personal Injury Suit in State Court and Waiver of 362(e) Requirement (Docket No. 7964) and (v) Motion of Michael B. Spangler for Relief from Automatic Stay (Docket No. 7967). In accordance with the Case Management Order, the Debtors shall tender a scheduling order setting these matters for hearing on February 25, 2003, at 10:00 a.m.

B. Continued Matter (1 Matter) - January 27, 2003 at 2:00 p.m.

1. Messrs. Owens and Montoya's Motion for Entry of an Order Compelling Debtors to (I) Immediately Cure Post-Petition Defaults Under Special Retention Agreements, and (II) Assume or Reject Special Retention Agreements (Docket No. 2965)

Responses Filed: *None.*

Replies Filed: *None.*

Related Pleadings: *Scheduling Order entered on September 24, 2002 (Docket No. 6567).*

Status: *This matter will be continued to February 25, 2003, at 10:00 a.m. The deadline of the Debtors and the Statutory Committees to file an objection will be extended to February 18, 2003.*

C. Uncontested Matters - January 27, 2003 at 2:00 p.m.

1. Claims Matters (2 Matters)

2. First Omnibus Objection of Debtors to Claims Under 11 U.S.C. §§ 102(1), 105(A), and 502(B) and Fed. R. Bankr. P. 3007 (Docket No. 7625)

Responses Filed: See attached Exhibit A.

Replies Filed: None.

Related Pleadings: None.

Status: An order will be submitted for consideration by the Court with respect to all uncontested or resolved matters. Any remaining contested matters will be continued to an off-omnibus hearing in accordance with a schedule proposed by the Debtors in their motion to modify the case management order, Agenda No. 28.

3. Debtors' Motion for Order, Pursuant to 11 U.S.C. §§ 105, 363 and 502 and Rule 9019(b) of the Federal Rules of Bankruptcy Procedure, Authorizing Debtors (A) to Compromise or Settle and Allow Certain Classes of Prepetition Claims Without Further Court Approval and (B) to Establish Alternative Dispute Resolution Procedures for Disputed Claims (Docket No. 7801)

Responses Filed: None.

Replies Filed: None.

Related Pleadings: None.

Status: An order will be submitted for consideration by the Court. The objection deadline for this matter is January 23, 2003, at 4:00 p.m. If an objection is

filed, this matter will go forward as a contested matter on January 28, 2003, at 10:00 a.m.

2. Designation Rights Matters (6 Matters)

4. Debtors' Motion in Furtherance of Designation Rights Order, Pursuant to 11 U.S.C. § 365 and Fed. R. Bankr. P. 6006, Authorizing Assumption and Assignment of Lease for Store No. 3344 (Kentwood, Michigan) to K-Mer LLC (Docket No. 7777)

Responses Filed: None.

Replies Filed: None.

Related Pleadings: None.

Status: An order will be submitted for consideration by the Court. The objection deadline for this matter is January 23, 2003, at 4:00 p.m. If an objection is filed, this matter will go forward as a contested matter on January 28, 2003, at 10:00 a.m.

5. Debtors' Motion in Furtherance of Designation Rights Order, Pursuant to 11 U.S.C. § 365 and Fed. R. Bankr. P. 6006, Authorizing Assumption and Assignment of Lease for Store No. 3833 (Hudson, Wisconsin) to Home Depot U.S.A., Inc. (Docket No. 7779)

Responses Filed: None.

Replies Filed: None.

Related Pleadings: None.

Status: An order will be submitted for consideration by the Court. The objection deadline for this matter is January 23, 2003, at 4:00 p.m. If an

objection is filed, this matter will go forward as a contested matter on January 28, 2003, at 10:00 a.m.

6. Debtors' Motion in Furtherance of Designation Rights Order, Pursuant to 11 U.S.C. § 365 and Fed. R. Bankr. P. 6006, Authorizing Assumption and Assignment of Lease for Store No. 4711 (Flagstaff, Arizona) to Kohl's Department Stores, Inc. (Docket No. 7783)

Responses Filed: None.

Replies Filed: None.

Related Pleadings: None.

Status: An order will be submitted for consideration by the Court. The objection deadline for this matter is January 23, 2003, at 4:00 p.m. If an objection is filed, this matter will go forward as a contested matter on January 28, 2003, at 10:00 a.m.

7. Debtors' Motion in Furtherance of Designation Rights Order, Pursuant to 11 U.S.C. § 365 and Fed. R. Bankr. P. 6006, Authorizing Assumption and Assignment of Lease for Store No. 3718 (Dallas, Texas) to Home Depot U.S.A., Inc. (Docket No. 7785)

Responses Filed: None.

Replies Filed: None.

Related Pleadings: None.

Status: An order will be submitted for consideration by the Court. The objection deadline for this matter is January 23, 2003, at 4:00 p.m. If an objection is filed, this matter will go

*forward as a contested matter on
January 28, 2003, at 10:00 a.m.*

8. Debtors' Motion in Furtherance of Designation Rights Order, Pursuant to 11 U.S.C. § 365 and Fed. R. Bankr. P. 6006, Authorizing Assumption and Assignment of Lease for Store No. 3334 (Laverne, California) to the Vons Companies, Inc. (Docket No. 7797)

Responses Filed: None.

Replies Filed: None.

Related Pleadings: None.

Status: An order will be submitted for consideration by the Court. The objection deadline for this matter is January 23, 2003, at 4:00 p.m. If an objection is filed, this matter will go forward as a contested matter on January 28, 2003, at 10:00 a.m.

9. Debtors' Motion for Order in Furtherance of Designation Rights Order, Pursuant to 11 U.S.C. §§ 363 and 365 and Fed. R. Bankr. P. 6006, Authorizing Assumption and Assignment of Lease for Store No. 3166 (Austell, Georgia) to Burlington Coat Factory Warehouse of Austell, Inc. (Docket No. 7803)

Responses Filed: None.

Replies Filed: None.

Related Pleadings: None.

Status: An order will be submitted for consideration by the Court. The objection deadline for this matter is

January 23, 2003, at 4:00 p.m. If an objection is filed, this matter will go forward as a contested matter on January 28, 2003, at 10:00 a.m.

3. Other Real Estate Related Matters (6 Matters)

10. Motion of Mullan Associates Limited Partnership and Carpark Limited Partnership to Compel Assumption or Rejection of Lease and Related Assignment (Docket No. 5193)

Responses Filed: *Objection of Debtors (Docket No. 5792); Joinder of the Official Committee of Equity Security Holders in Objection of Debtors (Docket No. 5892).*

Replies Filed: *None.*

Related Pleadings: *Scheduling Orders entered on August 29, 2002 (Docket No. 6099) and September 24, 2002 (Docket No. 6593).*

Status: *This matter will be withdrawn.*

11. Motion of GBR Ballston Avenue Limited Liability Company to Shorten Time for Kmart Corporation to Assume or Reject Lease for Real Property and to Compel Payment of Administrative Expense (Docket No. 7689)

Responses Filed: *None.*

Replies Filed: *None.*

Related Pleadings: *None.*

Status: *An agreed order will be submitted for consideration by the Court.*

12. Debtors' Motion for an Order Under Fed. R. Bankr. P. 9019 Approving Settlement Agreement with J.W. Mitchell Company (Docket No. 7738)

Responses Filed: None.

Replies Filed: None.

Related Pleadings: J.W. Mitchell, LLC v. Kmart Corporation (Adv. No. 02-01206); Motion by J.W. Mitchell, LLC for Temporary Restraining Order and Preliminary Injunction (Adv. No. 02-01206; Docket No. 7) (Agenda No. 13).

Status: An agreed order will be submitted for consideration by the Court. This agreed order will resolve the adversary proceeding identified in the immediately following Agenda item pursuant to a mediation conducted before Judge Schwartz.

13. J.W. Mitchell, LLC v. Kmart Corporation (Adv. No. 02-01206); Motion by J.W. Mitchell, LLC for Temporary Restraining Order and Preliminary Injunction (Adv. No. 02-01206; Docket No. 7)

Responses Filed: Objection of Debtors (Adv. No. 02-01206; Docket No. 10); Debtors' Supplemental Reply Brief (Adv. No. 02-01206; Docket No. 18).

Replies Filed: Reply of J.W. Mitchell, LLC (Adv. No. 02-01206; Docket No. 16).

Related Pleadings: Scheduling Orders entered on September 4, 2002 (Adv. No. 02-01206; Docket No. 7A) and September 12, 2002 (Adv. No. 02-01206, Docket No. 7B); Declaration of Nicholas Mitchell in Support of Motion for Temporary

Restraining Order and Preliminary Injunction (Adv. No. 02-01206; Docket No. 8); Declaration of Robert W. Ruff (Geologist) in Support of Reply to Objection to Motion for Preliminary Injunction (Adv. No. 02-01206; Docket No. 15); Declaration of Mike Elliott in Support of Debtors' Supplemental Reply Brief (Adv. No. 02-01206; Docket No. 19); Scheduling Order entered on September 24, 2002 (Adv. No. 02-01206; Docket No. 21); Motion for an Order Under Fed. R. Bankr. P. 9019 Approving Settlement Agreement with J.W. Mitchell Company (Docket No. 7738) (Agenda No. 12).

Status: This matter will be resolved by the agreed order to be submitted in connection with the immediately preceding Agenda item.

14. Motion on Behalf of Ramco-Gershenson Properties, LP to Compel “Timely” Performance of Lease Obligations with Respect to Kmart Location Number 3575 (Docket No. 7769)

Responses Filed: None.

Replies Filed: None.

Related Pleadings: None.

Status: This matter will be withdrawn.

15. Debtors’ Motion for Order Pursuant to 11 U.S.C. § 365 and Fed. R. Bankr. P. 6006 Authorizing Debtors to Assume and Assign a Certain Unexpired Real Property Lease to The Commons at Cliff Creek, Ltd. or its Designee (Docket No. 7781)

Responses Filed: None.

Replies Filed: None.

Related Pleadings: *None.*

Status: *An order will be submitted for consideration by the Court.*

4. Lift Stay Related Matters (11 Matters)

16. Debtors' Motion for an Order Under Fed. R. Bankr. P. 9019 Approving Debtors' Settlement Agreement with Salton, Inc. (Docket No. 7736)

Responses Filed: *None.*

Replies Filed: *None.*

Related Pleadings: *Motion for Relief from Stay of Salton, Inc. (Docket No. 3846) (Agenda No. 17).*

Status: *An agreed order will be submitted for consideration by the Court. This agreed order will resolve the motion identified in the immediately following Agenda item pursuant to a mediation conducted before Judge Schwartz.*

17. Motion for Relief from Stay of Salton, Inc. (Docket No. 3846)

Responses Filed: *Response of Debtors (Docket No. 6953).*

Replies Filed: *Reply of Salton, Inc. (Docket No. 7020).*

Related Pleadings: *Scheduling Orders entered June 26, 2002 (Docket No. 4659), July 24, 2002 (Docket No. 5261), August 29, 2002 (Docket No. 6243), September 25, 2002 (Docket No. 6557), and October 30, 2002 (Docket No. 7338); Motion of Debtors (I) to Extend the Hearing Date with Respect to Salton Inc.'s Motion for Relief from Stay and (II) Requesting that this Motion be Heard Off-Omnibus Under the Normal Noticing Procedures*

and Expedited Notice and Objection Procedures (Docket No. 7363); Motion of Salton, Inc. to Compel Depositions (Docket No. 7369); Response of Debtors to Salton, Inc.'s Motion to Compel Depositions (Docket No. 7380); Motion for an Order Under Fed. R. Bankr. P. 9019 Approving Debtors' Settlement Agreement with Salton, Inc. (Docket No. 7736) (Agenda No. 16).

Status: This matter will be resolved by the agreed order to be submitted in connection with the immediately preceding Agenda item.

18. Motion of Toni Seabrian in Regards to Automatic Stay (Docket No. 7580)

Responses Filed: None.

Replies Filed: None.

Related Pleadings: None.

Status: This matter will be withdrawn.

19. Motion of Kathleen & Javier Montenegro to Lift Stay (Docket No. 7577)

Responses Filed: None.

Replies Filed: None.

Related Pleadings: None.

Status: These personal injury claimants have exhausted the claims resolution procedures. An agreed order therefore will be submitted for consideration by the Court.

20. Motion of Vernon Boyes for Relief from Automatic Stay (Docket No. 7682)

Responses Filed: *None.*

Replies Filed: *None.*

Related Pleadings: *None.*

Status: *This personal injury claimant has exhausted the claims resolution procedures. An agreed order therefore will be submitted for consideration by the Court.*

21. Motion of Francis and Catherine Gillin for Relief from the Automatic Stay Pursuant to the Amended Order Approving Procedures for (A) Liquidating and Settling Personal Injury Claims and (B) Modifying the Automatic Stay to Permit Litigation with Respect to Such Claims Under Section 362 (Docket No. 7712)

Responses Filed: *None.*

Replies Filed: *None.*

Related Pleadings: *None.*

Status: *These personal injury claimants have exhausted the claims resolution procedures. An agreed order will be submitted for consideration by the Court.*

22. Motion of Claimant Craig R. Johnson for Relief from the Automatic Stay (Docket No. 7724)

Responses Filed: *None.*

Replies Filed: *None.*

Related Pleadings: *None.*

Status: *This personal injury claimant has exhausted the claims resolution procedures. An agreed order will be submitted for consideration by the Court.*

23. Motion of Robert Pfantz and Mid Century Insurance Company for Relief from the Automatic Stay (Docket No. 7729)

Responses Filed: *None.*

Replies Filed: *None.*

Related Pleadings: *None.*

Status: *These personal injury claimants have exhausted the claims resolution procedures. An agreed order will be submitted for consideration by the Court.*

24. Motion by Denise & Douglas Price to Lift Bankruptcy Stay (Docket No. 7825)

Responses Filed: *Omnibus Objection of Official Committee of Equity Security Holders (Docket No. 6924); Omnibus Objection of Official Committee of Unsecured Creditors (Docket No. 6928); Omnibus Objection of Debtors (Docket No. 6959); Joinder of Official Financial Institutions' Committee in Support of Objection of Debtors (Docket No. 6995).*

Replies Filed: *None.*

Related Pleadings: *None.*

Status: *These personal injury claimants have exhausted the claims resolution procedures. An agreed order will be*

submitted for consideration by the Court.

25. Motion of the Bank of New York, as Indenture Trustee, and the Bank of New York, as Issuing Bank, for Relief from the Automatic Stay and Memorandum in Support Thereof (Docket No. 7695)

Responses Filed: None.

Replies Filed: None.

Related Pleadings: None.

Status: An order will be submitted for consideration by the Court.

26. City of Danville, Vermillion County's Amended Motion in Regards to Automatic Stay (Undocketed)

Responses Filed: None.

Replies Filed: None.

Related Pleadings: None.

Status: This matter will be withdrawn.

5. Other Uncontested Matters (4 Matters)

27. Motion of Wallace Computer Services, Inc. for an Order Pursuant to 11 U.S.C. § 365 Approving Rejection of a Facilities Management Services Agreement (Docket No. 7742)

Responses Filed: None.

Replies Filed: None.

Related Pleadings: None.

Status: An order will be submitted for consideration by the Court.

28. Debtors' Motion for Entry of an Order (I) Establishing Notice Procedures for Evidentiary Hearings Pursuant to Amended

Bankruptcy Rule 9014, (II) Setting Off-Omnibus Hearing Dates for Claims Objections, (III) Listing Omnibus Hearing Dates Pursuant to Previous Court Order, and (IV) Granting Related Relief (Docket No. 7799)

Responses Filed: *None.*

Replies Filed: *None.*

Related Pleadings: *None.*

Status: *An order will be submitted for consideration by the Court. The objection deadline for this matter is January 23, 2003, at 4:00 p.m. If an objection is filed, this matter will go forward as a contested matter on January 28, 2003, at 10:00 a.m.*

29. Debtors' Motion for (I) Entry of an Order Pursuant to 11 U.S.C. § 365(a) Authorizing the Debtors to Assume a Photofinishing Services Agreement with Eastman Kodak Company and (II) Shortening Notice of this Motion (Docket No. 7830)

Responses Filed: *None.*

Replies Filed: *None.*

Related Pleadings: *None.*

Status: *An order will be submitted for consideration by the Court. The objection deadline for this matter is January 23, 2003, at 4:00 p.m. If an objection is filed, this matter will go forward as a contested matter on January 28, 2003, at 10:00 a.m.*

30. Debtors' Objection to Mechanics' Lien Claim of Collins Signs, Inc. (Docket No. 7198)

Responses Filed: *None.*

Replies Filed: *None.*

Related Pleadings: *Order Approving Procedures for Resolution of Mechanics' Lien Claims (Docket No. 5280); Motion of Collins Signs, Inc. for Request for Payment of Administrative Expense Claim (Docket No. 7269) (Agenda No. 49).*

Status: *An agreed order will be submitted for consideration by the Court.*

D. Matters Set for Status or Ruling - January 27, 2003 at 2:00 p.m.

1. Designation Rights Agreement and Related Matters (4 Matters)

31. Omnibus Objection of Debtors to Asserted Cure Claims with Respect to Motion (I) for an Order (A) Establishing Bidding Procedures in Connection with the Sale of Certain Leases Including, Without Limitation, Termination Fee Provisions, (B) Approving the Form and Manner of Notice of Sale, (C) Approving Forms of Purchase Agreement and Termination Agreement, (D) Setting a Hearing Date to Consider Final Approval of the Sale, and (E) Granting Related Relief and (II) For an Order Approving the Sale of the Leases to the Successful Bidder at the Conclusion of the Sale Hearing (Docket No. 4358)

Replies Filed: *Replies to Debtors' Omnibus Objection to Asserted Cure Claims filed by: Developers Diversified Realty Corporation (Docket No. 4562); Supplemental Statements of Cure of the Bank of New York as Bond Trustee (Store No. 4806) (Docket No. 6450); Supplemental Statements of Cure of The Bank of New York Trust Company of Florida and The Bank of New York Trust Company of California , as Pass Through Trustees Under 1995-K-1 Trust and 1995-K-2 Trust (Store No. 7497) (Docket No. 6457); Supplemental Statement of Cure by Wilmington Trust*

Company (Store No. 7497) (Docket No. 6654); Daniel G. Kamin Corpus Christi Enterprise, L.P. (Docket No. 6977).

Related Pleadings: Cure claims filed by various landlords pursuant to the May 10, 2002 Order Establishing the Cure Claim Bar Date; Order on Omnibus Objection to Asserted Cure Claims (Docket No. 6554); Scheduling Order entered on September 24, 2002 (Docket No. 6559).

Status: This matter is set for status only. Consistent with past practice, the Debtors will request that this matter be continued to February 25, 2003, at 10:00 a.m. for status only.

32. Debtors' Motion for Order in Furtherance of Designation Rights Order, Pursuant to 11 U.S.C. § 365 and Fed. R. Bankr. P. 6006, Authorizing Assumption and Assignment of Lease for Store No. 7497 (Rancho San Diego, California) to Kohl's Department Stores, Inc. (Docket No. 6270)

Responses Filed: None.

Replies Filed: None.

Related Pleadings: Omnibus Objection of Debtors to Asserted Cure Claims (Docket No. 4358) (Agenda No. 31); Order entered on September 24, 2002 (Docket No. 6528).

Status: An order was entered after the September 24, 2002 omnibus hearing approving the assumption and assignment. This matter is set for status only with respect to the asserted cure claim. If this matter is not resolved by the hearing, the Debtors

will request that this matter be set for evidentiary hearing off-omnibus.

33. Debtors' Motion for Order in Furtherance of Designation Rights Order, Pursuant to 11 U.S.C. § 365 and Fed. R. Bankr. P. 6006, Authorizing Assumption and Assignment of Lease for Store No. 3875 (Simpsonville, South Carolina) to Kohl's Department Stores, Inc. (Docket No. 6278)

Responses Filed: None.

Replies Filed: None.

Related Pleadings: Omnibus Objection of Debtors to Asserted Cure Claims (Docket No. 4358) (Agenda No. 31); Order entered on September 24, 2002 (Docket No. 6527).

Status: An order was entered after the September 24, 2002 omnibus hearing approving the assumption and assignment. This matter is set for status only with respect to the asserted cure claim. If this matter is not resolved by the hearing, the Debtors will request that this matter be set for evidentiary hearing off-omnibus.

34. Debtors' Motion for Order Pursuant to 11 U.S.C. §§ 363 and 365 and Fed. R. Bankr. P. 6006 Authorizing Debtors to Sell, Assume and Assign Certain Unexpired Real Property Lease to Burlington Coat Factory Warehouse of Hialeah, Inc. (Store No. 6775, Hialeah, FL) (Docket No. 6764)

Responses Filed: Cure Objection of Palm Springs Mile Associates, Ltd. (Docket No. 6910).

Replies Filed: *None.*

Related Pleadings: *None.*

Status: *An order was entered on October 30, 2002, authorizing the assumption and assignment. This matter is set for status with respect to the cure claim only. If this matter is not resolved by the hearing, the Debtors will request that this matter be set for evidentiary hearing off-omnibus.*

2. Mechanics' Lien Matters (3 Matters)

35. Debtors' Objection to Mechanics' Lien Claim of Murphy Company (Docket No. 7467)

Responses Filed: *None.*

Replies Filed: *None.*

Related Pleadings: *Order Approving Procedures for Resolution of Mechanics' Lien Claims (Docket No. 5280).*

Status: *This matter was filed in accordance with the procedures for resolving mechanics' lien claims and is set for status only. If this matter is not resolved by the hearing, the Debtors will request that this matter be set for evidentiary hearing off-omnibus.*

36. Debtors' Objection to Mechanics' Lien Claim of FSA, LLC (Docket No. 7168)

Responses Filed: *None.*

Replies Filed: *None.*

Related Pleadings: *Order Approving Procedures for Resolution of Mechanics' Lien Claims (Docket No. 5280).*

Status: *This matter was filed in accordance with the procedures for resolving mechanics' lien claims and is set for status only. If this matter is not resolved by the hearing, the Debtors will request that this matter be set for evidentiary hearing off-omnibus.*

37. Debtors' Objection to Mechanics' Lien Claim of Timothy J. Tyree, P.C. (Docket No. 7396)

Responses Filed: *None.*

Replies Filed: *None.*

Related Pleadings: *Order Approving Procedures for Resolution of Mechanics' Lien Claims (Docket No. 5280).*

Status: *This matter was filed in accordance with the procedures for resolving mechanics' lien claims and is set for status only. If this matter is not resolved by the hearing, the Debtors will request that this matter be set for evidentiary hearing off-omnibus.*

3. Other Matters Set for Status (8 Matters)

38. Debtors' Motion for an Order Pursuant to 11 U.S.C. § 365 Authorizing the Rejection of Certain Equipment Lease Agreement with General Electric Capital Corporation (Docket No. 2946)

Responses Filed: *Limited Objection of General Electric Capital Corporation (Docket No. 3328).*

Replies Filed: *Reply of Debtors (Docket No. 3403); Supplemental Reply of Debtors (Docket No. 4458).*

Related Pleadings: *Scheduling Orders entered May 30, 2002 (Docket No. 3543), June 26, 2002 (Docket No. 4673), July 24, 2002 (Docket No. 5260), August 29, 2002 (Docket No. 6241), and September 24, 2002 (Docket No. 6568).*

Status: *This matter is set for status only, and will be continued to February 25, 2003, at 10:00 a.m for status only.*

39. Objection of Official Financial Institutions' Committee to Application of Interim Order Authorizing Payment of Prepetition Claims of Consignment Vendors to the Prepetition Claims of Unperfected Consignment Vendors (Docket No. 4040)

Responses Filed: *Opposition of Universal Music and Video Distribution Corp. (Docket No. 4957).*

Replies Filed: *None.*

Related Pleadings: *Twentieth Century Fox Home Entertainment, Inc.'s Motion to Clarify Consignment Vendors Order (Docket No. 881); Official Committee of Unsecured Creditors' Objection to the Interim Consignment Order (Docket No. 4065); Scheduling Order entered June 26, 2002 (Docket No. 4659).*

Status: *This matter is set for status only, and will be continued to April 29, 2003, at 10:00 a.m for status only. The deadline of the Financial Institutions' Committee to file a reply will be extended to April 22, 2003.*

40. Limited Objection of the Official Committee of Unsecured Creditors of Kmart Corporation, *et al.* to Certain Provisions of the Interim Order Pursuant to 11 U.S.C. § 105 Authorizing Payment of Prepetition Claims of Consignment Vendors and Customer Services Providers and Approving Procedures Concerning Consigned Goods (Docket No. 4065)

Responses Filed: *Response of Barenbrug USA (Docket No. 4949).*

Replies Filed: *None.*

Related Pleadings: *Twentieth Century Fox Home Entertainment, Inc.'s Motion to Clarify Consignment Vendors Order (Docket No. 881); Official Financial Institutions Committee's Objection to the Interim Consignment Order (Docket No. 4040); Scheduling Order entered June 26, 2002 (Docket No. 4659).*

Status: *This matter is set for status only, and will be continued to April 29, 2003, at 10:00 a.m for status only. The deadline of the Unsecured Creditors' Committee to file a reply will be extended to April 22, 2003.*

41. Motion of Appaloosa Management L.P., Merced Partners Limited Partnership, Tamarack International, Ltd. and Third Avenue Value Fund for an Order Pursuant to Federal Rule of Bankruptcy Procedure 2004 Directing the Debtors to Produce Documents and Appear for Examination (Docket No. 5850)

Responses Filed: *Objection of Debtors (Docket No. 6408).*

Replies Filed: *None.*

Related Pleadings: *Limited Statement by the Official Financial Institutions' Committee in Support of the Motion (Docket No. 6509); Order entered on September 25, 2002 (Docket No. 6531); Scheduling Order entered October 30, 2002 (Docket No. 7095).*

Status: *This matter is set for status only. If no party appears to present this matter, the Debtors will request that it be dismissed for failure to prosecute.*

42. Motion of Sierra Vista Associates, L.L.C., Landlord, to Shorten Kmart's Time to Assume or Reject Lease of Non-Residential Real Property (Store 3444/9827, Albuquerque, NM) (Docket No. 6212)

Responses Filed: *Objection of Debtors (Docket No. 6406).*

Replies Filed: *Reply to Objection of Debtors by Sierra Vista Associates, L.L.C. (Docket Nos. 6471 and 6625).*

Related Pleadings: *Scheduling order entered September 20, 2002 (Docket No. 6618); Motion of Sierra Vista Associates LLC In Regards to Automatic Stay With Respect to Soon-To-Expire Lease of Nonresidential Real Property (Docket No. 6760) (Agenda No. 43); Scheduling Order entered October 30, 2002 (Docket No. 7125).*

Status: *This matter is set for status only.*

43. Motion of Sierra Vista Associates LLC In Regards to Automatic Stay With Respect to Soon-To-Expire Lease of Nonresidential Real Property (Docket No. 6760)

Responses Filed: *Objection of Debtors (Docket No. 6947); Objection of Debtors (Docket No. 7946).*

Replies Filed: *Reply of Sierra Vista Associates, LLC (Docket No. 7023).*

Related Pleadings: *Motion of Sierra Vista Associates, L.L.C., Landlord, to Shorten Kmart's Time to Assume or Reject Lease of Non-Residential Real Property (Docket No. 6212) (Agenda No. 42); Order entered October 30, 2002 (Docket No. 7126); Motion of Sierra Vista Associates, L.L.C. For Order Specially Scheduling Hearing on Relief-From-Stay Motion and Establishing Special Notice and Objection Procedures and Deadlines with Respect Thereto (Docket No. 7643); Order entered December 31, 2002 (Docket No. 7710).*

Status: *This matter is set for status only unless the Court is prepared to rule on the briefs.*

44. Debtors' Motion for Determination of Superior Dairy, Inc., Galliker Dairy Company, Kemp Foods Inc. and Crowley Foods, LLC's Reclamation Claims (Docket No. 7740)

Responses Filed: *Objection of Superior Dairy, Inc. (Docket No. 7902).*

Replies Filed: *None.*

Related Pleadings: *None.*

Status: *This matter is set for status only. If this matter is not resolved by the hearing, the Debtors will request that this matter be set for evidentiary hearing off-omnibus.*

45. Status and Report on Implementation of Percentage Rent Ruling

Responses Filed: *None.*

Replies Filed: *None.*

Related Pleadings: *None.*

Status: *The Debtors will report to the Court on the status of implementation of the Court's ruling regarding calculation and payment of percentage rent.*

E. DIP and Exit Financing Matters (2 Matters) - January 28, 2003

46. Debtors' Motion for Order Pursuant to 11 U.S.C. § 364 Approving Amendment to Post-Petition Credit Facility (Docket No. 7789)

Responses Filed: *None.*

Replies Filed: *None.*

Related Pleadings: *None.*

Status: *An order will be submitted for consideration by the Court. The objection deadline for this matter is January 23, 2003, at 4:00 p.m. If an objection is filed, this matter will go forward as a contested matter on January 28, 2003, at 10:00 a.m.*

47. Debtors' Motion for Entry of an Order (I) Authorizing the Debtors to Enter into a Commitment Letter for a \$2 Billion Exit Financing Facility, (II) Authorizing Use of Estate Funds for Payment of an

Underwriting Deposit and Other Fees in Connection Therewith,
and (III) Shortening Notice of This Motion (Docket No. 7793)

Responses Filed: *None.*

Replies Filed: *None.*

Related Pleadings: *None.*

Status: *An order will be submitted for
consideration by the Court. The
objection deadline for this matter is
January 23, 2003, at 4:00 p.m. If an
objection is filed, this matter will go
forward as a contested matter on
January 28, 2003, at 10:00 a.m.*

F. Contested Matters - January 28, 2003

1. Store Closing Matter (1 Matter) - 10:00 a.m.

48. Debtors' Motion for Order for the Approval of (A) the Conduct
of Store Closing Sales Pursuant to §§ 105 and 363 of the
Bankruptcy Code by Debtors and/or Their Store Closing Agent,
(B) an Operating Agreement with the Store Closing Agent to
Conduct Store Closing Sales, and (C) Granting Related Relief
(Docket No. 7791)

Responses Filed: *Limited Objection of Saltru Joint
Venture Associates (Docket No. 7975);
Objection of Fedele V. Scutti (Docket
No. 7984); Objection of Hixon
Properties Incorporated (Undocketed).*

Replies Filed: *None.*

Related Pleadings: *None.*

Status: *The hearing with respect to this matter
will go forward.*

2. Real Estate Matters (6 Matters) - 2:00 p.m.

49. Motion of Collins Signs, Inc. for Request for Payment of Administrative Expense Claim (Docket No. 7269)
- Responses Filed:* *Objection of Debtors (Docket No. 7953).*
- Replies Filed:* *None.*
- Related Pleadings:* *Objection to Mechanics' Lien Claim of Collins Signs, Inc. (Undocketed) (Agenda No. 30).*
- Status:* *The hearing with respect to this matter will go forward.*
50. Motion of Lexington Warren LLC to Amend or Alter Judgment on Second Application (Docket No. 7230)
- Responses Filed:* *Objection of Debtors (Docket No. 7334).*
- Replies Filed:* *None.*
- Related Pleadings:* *Motion of Lexington Warren LLC to Allow Lexington Warren LLC's Motion to Alter or Amend Judgment to be Heard at the November 2002 Omnibus Date or, Alternatively, at a 'Non-Omnibus' Hearing Date and to Limit Notice (Docket No. 7296); Order entered November 19, 2002 (Docket No. 7454); Memorandum of Law in Support of Motion by Lexington Warren LLC (Docket No. 7606).*
- Status:* *The hearing with respect to this matter will go forward.*
51. Motion of Rio Grande Investment LLC to Compel Kmart Corp. to Assume or Reject Unexpired Nonresidential Lease (Docket No. 7330)
- Responses Filed:* *None.*

Replies Filed: *None.*

Related Pleadings: *Rio Grande Investment LLC's Motion to Compel Kmart Corp. to Assume or Reject Unexpired Nonresidential Lease (Docket No. 4722).*

Status: *The hearing with respect to this matter will go forward.*

52. Motion of Shaler Zamagias Ltd. Partnership to Compel Payment of Post-Petition Lease Obligation (Docket No. 7674)

Responses Filed: *Objection of Debtors (Docket No. 7949).*

Replies Filed: *None.*

Related Pleadings: *None.*

Status: *The hearing with respect to this matter will go forward.*

53. Motion of Daniel G. Kamin Carson LLC, Daniel G. Kamin Corpus Christi Enterprises, L.P., Daniel G. Kamin Dale City Enterprises, Daniel G. Kamin DeSoto LLC, Daniel G. Kamin Easton Enterprises, Daniel G. Kamin and Daniel G. Kamin Tacoma LLC to Compel Kmart Corporation's Compliance with Post Petition Obligations Under Unexpired Nonresidential Leases (Docket No. 7692)

Responses Filed: *Objection of Debtors (Docket No. 7951).*

Replies Filed: *None.*

Related Pleadings: *None.*

Status: *The hearing with respect to this matter will go forward.*

54. Motion of Daniel G. Kamin Fargo Enterprises to Compel Kmart Corporation to Turn Over Property Held in Implied Trust or, in

the Alternative, for Relief from the Automatic Stay (Docket No. 7746)

Responses Filed: *Objection of Debtors (Docket No. 7940).*

Replies Filed: *None.*

Related Pleadings: *None.*

Status: *The hearing with respect to this matter will go forward.*

3. Lift Stay Matters (4 Matters) - 2:00 p.m.

55. Application of Michael Chiu for an Order for Approval of the Notice of Motion and Motion to Vacate and Set Aside the Automatic Stay (Docket No. 7477)

Responses Filed: *Objection of Debtors (Docket No. 7936).*

Replies Filed: *None.*

Related Pleadings: *None.*

Status: *The hearing with respect to this matter will go forward.*

56. Motion of Allied Capital Corporation In Regards to Automatic Stay as to Property of Debtor, Big Beaver Development Corporation (Docket No. 7506)

Responses Filed: *Objection of Debtors (Undocketed).*

Replies Filed: *None.*

Related Pleadings: *Memorandum in Support of Motion by Allied Capital Corporation (Docket No. 7507).*

Status: The hearing with respect to this matter will go forward.

57. Motion of Wehrle B. Geary Trust For Relief From the Automatic Stay, or for Adequate Protection and for Payment of Post-Petition Lease Obligations (Docket No. 7645)

Responses Filed: Objection of Debtors (Undocketed).

Replies Filed: None.

Related Pleadings: None.

Status: The hearing with respect to this matter will go forward.

58. Motion of MJS Rexville Limited Partnership for an Order Modifying the Automatic Stay or, in the Alternative, for an Order Directing Adequate Protection Payments (Docket No. 7758)

Responses Filed: Objection of Debtors (Undocketed).

Replies Filed: None.

Related Pleadings: None.

Status: The hearing with respect to this matter will go forward.

Dated: Chicago, Illinois
January 23, 2003

Respectfully submitted,

KMART CORPORATION, et al.,

By: _____
John Wm. Butler, Jr. (ARDC No. 06209373)
J. Eric Ivester (ARDC No. 06215581)
Mark A. McDermott (ARDC No. 02609460)
SKADDEN, ARPS, SLATE,
MEAGHER & FLOM (ILLINOIS)
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Chicago, Illinois 60606-1285

(312) 407-0700

Exhibit A

**Responses Filed to First Omnibus Objection of Debtors to Claims
Under 11 U.S.C. §§ 102(1), 105(A), and 502(B) and
Fed. R. Bankr. P. 3007 (Docket No. 7625) (Agenda No. 4)**

Margaret Kochan (Docket No. 7648)

Charles Gardner (Docket No. 7656)

Greenways LP (Docket No. 7665)

Apothecary Products (Docket No. 7670)

TM York Realty Limited Partnership (Docket No. 7676)

Greenways LP (Docket No. 7678)

River Oaks Properties Ltd. (Docket No. 7701)

Ronald Ingram and Janet Ingram (Docket No. 7707)

Megan Weisgerber (Docket No. 7708)

Dale Deaton (Docket No. 7709)

Jacquelyn Lucero (Docket No. 7725)

Tavanese & Company Inc. (Docket No. 7730)

Harbor Industries, Inc. (Docket No. 7731)

Harold A. Clark Co. - Galveston Inc. (Docket No. 7755)

*United States Department of Health and Human Services, Centers for Medicare &
Medicaid Services (Docket No. 7764)*

Rhoda Turner (Docket No. 7766)

Estate of Frank Carter (Docket No. 7767)

Delmar Associates LP (Docket No. 7772)

Timothy Birmingham (Docket No. 7773)

Blount County Trustee (Docket No. 7774)

Sandpiper Associates and Chamonix Associates (Docket No. 7795)

Duong T. Schmidt (Docket No. 7806)

Arizona Department of Revenue (Docket No. 7808)

Union Lake Partners/Kurz Realty Co. (Docket No. 7812)

San Antonio Partners/MT Interstate Properties (Docket No. 7813)

Shelbyville Partners/AK IV Properties (Docket No. 7814)

Toni Seabrian (Docket No. 7816)

El Puerto de Liverpool S.A. de C.V. (Docket No. 7832)

Euler American Credit Indemnity (Docket No. 7835)

William C. Perkins, II (Docket No. 7837)

Breslin Grand Island Associates (Docket No. 7842)

Joyce Dowell (Docket No. 7846)

*Dianna Dedomenico, Patricia Dedomenico, Anna Rivera, and Steven Ventimiglia
(Docket No. 7851)*

Susan Bennett (Docket No. 7853)

United States Department of Labor (Docket No. 7858)

Clifpass Development, Inc. (Docket No. 7860)

*Century Group I, LLC, Cottonwood-Ft. Collins, LLC, Pioneer Properties Company
of Dansville, LLC, Pioneer Salmon Plaza Company, Sterling Ponds Retail
Associates, LLC, and Lapeer Associates, LLC (Docket No. 7862)*

Kenny Janal Mitchell (Docket No. 7867)

Ke Andre Janel Thomas (Docket No. 7868)

Wanda L. McCutcheon (Docket No. 7869)

Joyce A. Lyden (Docket No. 7870)

Cedarbrook Plaza, Inc. (Docket No. 7872)

Skibo Square, Inc. (Docket No. 7873)

Liberty Mutual Insurance Company (Docket No. 7877)

Allied Capital Corporation (Docket No. 7879)

Linn County Tax Collector (Docket No. 7884)

MINWIS, Inc. (Docket No. 7885)

Victor Moses (Docket No. 7886)

John Berg (Docket No. 7887)

CEC Entertainment, Inc. (Docket No. 7888)

Pennzoil-Quaker State Company (Docket No. 7889)

The Sun Tees (Docket No. 7890)

Frank Church (Docket No. 7891)

Peggy Potters (Docket No. 7892)

Rosa Blackburn (Docket No. 7893)

Joseph G. Peterson (Docket No. 7894)

Hawthorne Centre Associates (Docket No. 7895)

Texas Certified Self-Insurer Guaranty Association (Docket No. 7897)

Next Factors, Inc. (Docket No. 7898)

Law Debenture Trust Company of New York (Docket No. 7899)

Wilder's Grove Inc. (Docket No. 7901)

Michele Vinokurow (Docket No. 7904)

*Tax Appraisal District of Bell County, County of Denton, City of Waco, Waco ISD,
City of Waco Water Dept., Midland Central Appraisal District, County of Taylor,
City of Abilene, Abilene ISD (Docket No. 7906)*

Rosa Blackburn (Docket No. 7907)

Daisy Heidrich (Docket No. 7908)

Arnette Johnson (Docket No. 7910)

Floreff Trust/Nathan Alison Trust (Docket No. 7912)

Allied Capital Corporation (Docket No. 7914)

Allied Capital Corporation (Docket No. 7916)

Public Service Electric and Gas Company (Docket No. 7918)

New Jersey Self-Insurers Guaranty Association (Docket No. 7920)

Linda Moseley (Docket No. 7924)

Moulton Properties, Inc. (Docket No. 7926)

Cameo Homes Inc. (Docket No. 7930)

Fairbanks Equity Ltd. (Docket No. 7932)

Bank One Trust Company NA (Docket No. 7944)

Parker, McCay & Criscuolo PA (Docket No. 7954)

Brookfield-Beverly Road Associates, LP (Docket No. 7956)

TX Center Realty Associates, Ltd. (Docket No. 7957)

Alliant Foodservice Inc. (Docket No. 7959)

US Foodservice Inc. (Docket No. 7960)

Thorco Industries Inc. (Docket No. 7961)

Salton Inc. (Docket No. 7962)

Stephen J. Zula (Docket No. 7965)

Karen Dacres (Docket No. 7976)

Lila Lange (Docket No. 7986)

Howard Dailey (Docket No. 7988)

Rocco W. Rice (Undocketed)

Southwest Regional Properties - Aurora, L.L.C. (Undocketed)

Michelle Rolon Mendoza (Undocketed)

Pacific Water Conditioning Co. (Undocketed)

Seventh Region, National Labor Relations Board (Undocketed)

*Donna Abraham, Terrance Abraham, Donna Abraham as Guardian Ad Litem for
Shannell Abraham, and Donna Abraham as Guardian Ad Litem for Vanda Abraham
(Undocketed)*

Carol Rositano (Undocketed)

Walpath Centers Partnership (Undocketed)